

GOVERNOR JENNIFER M. GRANHOLM

February 9, 2007

Hello, this is Governor Jennifer Granholm.

This week, I presented my budget for the upcoming year and delivered my State of the State address. The message in both is that Michigan is at a turning point – it's a decisive moment in our state's journey – and the decisions we make in the weeks ahead are going to shape Michigan's future for decades to come.

The world around us has changed, and it's not changing back – jobs have been outsourced, trade agreements go un-enforced and our businesses and our workers are suffering.

So, the question we now face is: Will we invest in our people so that they and their children can compete and win in the new world economy? Or will we fail them?

The bipartisan economic plan that we have set in motion is the most comprehensive in the nation. It's the right plan, but the pace of change in this global economy is speeding up – so we're going to put our plan into overdrive.

That means going anywhere and doing anything to bring new jobs to our state, focusing on cutting-edge industries like alternative energy. We'll make key investments in job training and education so that our citizens have the tools they need to compete and succeed.

To move this plan forward, we have to solve our fiscal crisis without delay. We need to redouble our efforts to reform government and to do more with less. I've cut spending for four straight years and I've resolved more deficits than any Governor before me. Again this year my budget calls hundreds of millions of dollars of spending cuts that are necessary for us to invest and grow our economy.

The truth is, another round of budget cutting alone *cannot* solve the fiscal crisis – in fact, a cuts-only solution would destroy the state's ability to recover now and compete in the future. This crisis demands a mix of solutions – cuts, reform, and revenues.

So, I'll fix our broken tax system with changes that are simple, fair and progressive. Some businesses will begin to pay their fair share, and some businesses that are paying too much will pay less. For the average Michigan citizen, it will cost about \$1.30 per month – about as much as a bottle of pop from a vending machine each month – to ensure the state can invest in our people – in your child's school, in protecting your health care, and in making your community safe.

Together, my proposals will end our fiscal crisis, and they will allow us to grow our economy and create jobs. They *will* make Michigan a great place to live, learn and earn for all of us and for our children.

Many of the cuts we've already made have been painful – and there are more painful choices ahead. But by making tough choices together, we will be putting Michigan first.

Thank you for listening.